



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities;

Information Collection Revision; Submission for OMB Review;

Bank Secrecy Act/Money Laundering Risk Assessment

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a revised information collection as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning its information collection entitled, “Bank Secrecy Act/Money Laundering Risk Assessment,” also known as the Money Laundering Risk (MLR) System. The OCC also is giving notice that it has sent the collection to OMB for review.

DATES: Comments must be submitted by [INSERT 30 DAYS FROM DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

ADDRESSES: Commenters are encouraged to submit comments by e-mail, if possible. You may submit comments by any of the following methods:

- *E-mail:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel’s Office, Attention: Comment Processing, 1557-0231, Office of the Comptroller of the Currency, 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Fax:* (571) 465-4326.

Instructions: You must include “OCC” as the agency name and “1557-0231” in your comment. In general, the OCC will publish comments on *www.reginfo.gov* without change, including any business or personal information provided, such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Written comments and recommendations for the proposed information collection should also be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain*. You can find this information collection by selecting “Currently under 30-day Review – Open for Public Comments” or by using the search function.

On June 8, 2022, the OCC published a 60-day notice for this information collection (87 FR 34927). You may review comments and other related materials that pertain to this information collection following the close of the 30-day comment period for this notice by the method set forth in the next bullet.

- Viewing Comments Electronically: Go to *www.reginfo.gov*. Hover over the “Information Collection Review” tab and click on “Information Collection Review” from the drop-down menu. From the “Currently under Review” drop-down menu, select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “1557-0231” or ““Bank Secrecy Act/Money Laundering Risk Assessment.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.
- For assistance in navigating *www.reginfo.gov*, please contact the Regulatory Information Service Center at (202) 482-7340.

FOR FURTHER INFORMATION CONTACT: Shaquita Merritt, OCC Clearance Officer, (202) 874-5090, Chief Counsel’s Office, Office of the Comptroller of the Currency, 400 7th Street, SW., Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability please dial 7-1-1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Under the PRA, Federal agencies must obtain approval from the OMB for each collection of information they conduct or sponsor. “Collection of information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include questions posed to agencies, instrumentalities, or employees of the United States, if the results are to be used for general statistical purposes, that is, if the results are to be used for statistical compilations of general public interest, including compilations showing the status or implementation of Federal activities and programs. The OCC asks that OMB extend its approval of the collection in this document.

Title: Bank Secrecy Act/Money Laundering Risk Assessment.

OMB Control No: 1557-0231.

Type of Review: Regular.

Affected Public: Business or other for-profit.

Abstract: The MLR System enhances the ability of examiners and bank management to identify and evaluate Bank Secrecy Act/Money Laundering and Office of Foreign Asset Control (OFAC) sanctions risks associated with banks’ products, services, customers, and locations. As new products and services are introduced, existing products and services change, and banks expand through mergers and acquisitions, banks’ evaluation of money laundering and terrorist financing risks should evolve as well. Consequently, the MLR System risk assessment is an important tool for the OCC’s Bank Secrecy Act/Anti-Money Laundering and OFAC supervision activities because it allows the OCC to better identify those institutions, and business activities within institutions, that may pose heightened risk and then allocate examination resources

accordingly. This risk assessment is critical for protecting U.S. financial institutions of all sizes from potential abuse from money laundering and terrorist financing. The MLR System also provides the OCC with information regarding products or customers that may be experiencing difficulties or challenges maintaining banking services. MLR data assists banks' management of BSA/AML programs and provides a starting point for banks to develop their risk assessments. An appropriate risk assessment allows controls to be effectively implemented for the lines of business, products, or entities that would elevate Bank Secrecy Act/Money Laundering and OFAC compliance risks.

The OCC collects MLR information for community and trust banks supervised by the OCC.

The OCC's annual Risk Summary Form (RSF) is fully automated making data entry quick and efficient and provides an electronic record for banks and the OCC. The RSF collects data about different products, services, customers, and geographies (PSCs). The OCC is introducing a few changes to the 2022 RSF to further improve the quality of the collected data, streamline the collection process and more accurately reflect the risks associated with the customers served by banks. For 2022, the RSF will include three changes:

1. The addition of six new PSCs: cash transactions, marijuana-related businesses, ATM Operators, crypto assets – custody, stablecoin issuance, and stablecoin payments.
2. The addition of two new customer types under the money transmitters category: administrators and exchangers of virtual currency; and crypto ATM operators.
3. The deletion of four existing PSCs: boat/airplane, bulk cash/currency repatriation customers, bulk cash/currency repatriation, and international branches.

The addition of these six new PSC categories increases the number of data collection points from 69 to 71 as shown in the table below:

#	EXISTING PSCs	#	NEW PSCs
1	Convenience Stores	1	<i>Cash Transactions</i>

2	Liquor Stores	2	<i>Marijuana Related Businesses</i>
3	Domestic Charitable Organizations	3	<i>ATM Operators</i>
4	Jewelry, Gem and Precious Metals Dealers	4	<i>Crypto-Assets Custody</i>
5	Casinos	5	<i>Stablecoin Issuance</i>
6	Car Dealers	6	<i>Stablecoin Payments</i>
7	<i>Boat/Airplane</i>	7	Convenience Stores
8	Domestic Private Banking	8	Liquor Stores
9	Domestic Commercial Letters of Credit	9	Domestic Charitable Organizations
10	Stand-by Letters of Credit	10	Jewelry, Gem and Precious Metals Dealers
11	Customers/Accounts opened through the Internet, Mail, Wire or Phone (non-branch)	11	Casinos
12	Domestic Deposit Brokers	12	Car Dealers
13	Travel Agencies	13	Domestic Private Banking
14	Broker Dealers	14	Domestic Commercial Letters of Credit
15	Telemarketers	15	Stand-by Letters of Credit
16	Remotely Created Check Customers	16	Customers/Accounts opened through the Internet, Mail, Wire or Phone (non-branch)
17	Domestic Remote Deposit Capture Customers	17	Domestic Deposit Brokers
18	Third Party Senders	18	Travel Agencies
19	Issuance of Traveler's Checks, Official Bank Checks & Money Orders	19	Broker Dealers
20	Domestic Wire Transfers	20	Telemarketers
21	Domestic PUPID Wire Transfers	21	Remotely Created Check Customers
22	ACH	22	Domestic Remote Deposit Capture Customers
23	Remotely Created Checks	23	Third Party Senders
24	Domestic Remote Deposit Capture	24	Issuance of Traveler's Checks, Official Bank Checks & Money Orders
25	Non-Resident Alien Accounts	25	Domestic Wire Transfers
26	Politically Exposed Persons	26	Domestic PUPID Wire Transfers
27	Foreign Off-Shore Corporations	27	ACH
28	Foreign Deposit Brokers	28	Remotely Created Checks
29	Foreign Charitable Organizations	29	Domestic Remote Deposit Capture
30	Import/Export	30	Non-Resident Alien Accounts
31	Foreign Remote Deposit Capture Customers	31	Politically Exposed Persons
32	<i>Bulk Cash/Currency Repatriation Customers</i>	32	Foreign Off-Shore Corporations
33	<i>International Branches</i>	33	Foreign Deposit Brokers
34	Foreign Correspondent Accounts	34	Foreign Charitable Organizations
35	Payable Through Accounts	35	Import/Export
36	Pouch Services	36	Foreign Remote Deposit Capture Customers
37	Foreign Bank Affiliate	37	Foreign Correspondent Accounts

38	International Department	38	Payable Through Accounts
39	International Private Banking	39	Pouch Services
40	Embassy & Consulate Banking	40	Foreign Bank Affiliate
41	International Commercial Letters of Credit	41	International Department
42	International Bank Drafts	42	International Private Banking
43	International Wire Transfers	43	Embassy & Consulate Banking
44	International PUPID Wire Transfers	44	International Commercial Letters of Credit
45	Remittance Products	45	International Bank Drafts
46	Cross-Border ACH	46	International Wire Transfers
47	International Remote Deposit Capture	47	International PUPID Wire Transfers
48	Bulk Cash/Currency Repatriation	48	Remittance Products
49	Domestic Casas de Cambio/Currency Exchange	49	Cross-Border ACH
50	Foreign Casas de Cambio/Currency Exchange	50	International Remote Deposit Capture
51	Money Transmitters	51	Domestic Casas de Cambio/Currency Exchange
52	Check Cashers	52	Foreign Casas de Cambio/Currency Exchange
53	Issuers or Sellers of Traveler Checks or Money Orders	53	Money Transmitters
54	Providers of Prepaid Access	54	Check Cashers
55	Sellers of Prepaid Access	55	Issuers or Sellers of Traveler Checks or Money Orders
56	Prepaid Cards	56	Providers of Prepaid Access
57	Prepaid Card Programs – Third Party Sponsored	57	Sellers of Prepaid Access
58	Prepaid Card Programs – Bank Sponsored	58	Prepaid Cards
59	Prepaid Cardholders	59	Prepaid Card Programs – Third Party Sponsored
60	Prepaid Card Program Managers	60	Prepaid Card Programs – Bank Sponsored
61	Domestic Charitable Trusts & Foundations	61	Prepaid Cardholders
62	Foreign Charitable Trusts & Foundations	62	Prepaid Card Program Managers
63	Custodial Accounts	63	Domestic Charitable Trusts & Foundations
64	Investment Advisory Accounts	64	Foreign Charitable Trusts & Foundations
65	Revocable Trusts	65	Custodial Accounts
66	Foreign Grantor or Beneficiaries	66	Investment Advisory Accounts
67	Loans to Closely Held Corporations	67	Revocable Trusts
68	Brokerage Department/Operations	68	Foreign Grantor or Beneficiaries
69	Investment Advisory/Management	69	Loans to Closely Held Corporations
		70	Brokerage Department/Operations
		71	Investment Advisory/Management

PSC category deletions (from the existing PSC column) and additions (from the new PSC column are italicized and denoted in **bold.*

The OCC estimates the burden of this collection of information as follows:

Burden Estimates:

Community and trust bank population:

Estimated Number of Respondents: 970.

Estimated Number of Responses: 970.

Frequency of Response: Annually.

Estimated Annual Burden: 7,760 hours.

Comments: On June 8, 2022, the OCC published a 60-day notice in the **Federal Register** concerning the collection, 87 FR 34927. The OCC received three comments from the public, including one from a banking association regarding the accuracy of the OCC's information collection burden estimate and the impact the changes in the PSCs would have on the data collection process. The respondent stated the OCC did not provide a basis for its estimated burden of 7,760 hours from an estimated 970 respondents. Per the respondent, the changes proposed to the MLR would require more than the eight hours per respondent estimated by the OCC and that the OCC had underestimated both the staff time and financial resources needed to update reporting systems to reflect the proposed changes. The respondent also commented that the introduction of six new products, services, customers, and geography categories (PSCs) and the resulting changes in the numbering and location of these PSCs would unnecessarily complicate the data collection process, require significant staff retraining, and potentially result in mis-categorizations of the PSCs.

The OCC has observed that the systems most banks currently maintain for MLR data collection purposes already support ready access to the data; thus, the changes to the MLR will not require additional significant investment in technology or systems to collect and report this data. The 7,760 hours in the OCC's estimated burden already includes an additional two hours

to account for the two new MLR PSCs. Based on these existing systems and the changes to the MLR platform described below, the addition of the two hours should be sufficient to account for any system changes banks may have to make to collect and report the data for the new PSCs. With planning and minor programming changes to bank systems, the additional MLR data collection burden associated with the proposed changes will be minimal for banks of all sizes.

The introduction of the six new PSCs and the resulting changes in the listing numeration of the PSCs is a minor modification and will not significantly impact the data collection and reporting process. Recently, the OCC made major changes to the MLR platform that have resulted in a more modern, intuitive, and user-friendly collection tool. The current data collection platform, and support resources offered by the OCC, will assist banks with the data collection process. In addition, the OCC offers annual webinars where any changes to the data collection process are presented and discussed with bankers. During the webinars, bankers are given time to ask questions or raise any issues or concerns they may have related to this information collection. The changes to the MLR, introduced this year, will be discussed in detail during the 2022 MLR Webinar and give bankers additional opportunities to provide feedback. Moreover, each year, the OCC releases an updated MLR User Guide, complete with detailed instructions for banks to report MLR data. Finally, the OCC has a dedicated MLR email inbox for bankers to submit MLR-related questions and receive timely assistance from the OCC.

Comments continue to be invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC's estimate of the burden of the collection of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

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